

Malpractice Insurance and Telehealth

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When in doubt – survey!

**To get details about what is going on
in the malpractice industry, PIAA surveys
its member companies regarding
telehealth coverage**

Separating Myth from Reality

- 18 of 19 PIAA member companies surveyed have a provision to provide malpractice coverage for telehealth
- However, companies do retain the right to selectively deny coverage

Why deny coverage?

13 of 18 companies DO selectively deny malpractice coverage for telehealth

COMMON REASONS

- If patient or service provided is NOT located in a state where insurance company is licensed
- If physician/exposure presents an above-average risk
- Cannot be direct patient care, but physician consultation
- If the treatment exchange venue is undesirable - i.e. Above-average lawsuit venue

Any Other Specific Requirements?

- Must be licensed in ALL states related to activity exposure
- MUST provide service in insurer's licensed coverage area
- Limit volume of services
- Will deny claim IF physician did not follow rules or is not licensed in practice venue

Premium Surcharge for Telehealth

Of the 18 companies that provide some coverage for telehealth, FIVE retain the right to place a surcharge on MD's premium

- Surcharge varies based on risk and venue
- If physician is providing services to a state without damage caps
- If the service increases physician exposure

Lawsuits – What's Out There

Five of the 18 companies responding to our survey have at least one lawsuit related to telehealth

All radiology cases

? Allegations ?

Basic failure to diagnose cases

- Misread a film from nursing home in distant state
- Misread image on home computer
- Improper interpretation of image AND MD was not licensed in the patient's state
- MD did not report to malpractice co. that he was practicing teleradiology in a distant state

Malpractice and Telehealth

What is the big deal?

Insurance is regulated at the state level

**This is not always compatible with the
practice of medicine – particularly
in telehealth encounters**

Malpractice and Telehealth

What is the big deal?

New and unknown insurance exposure

Malpractice is a long-tail line
of insurance meaning incidents
can take **YEARS** to be resolved

Thank you

QUESTIONS?

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